

TAB

24 August 1955

TO : Comptroller
FROM : Chief, Fiscal Division
SUBJECT: Adjustments of Billings

1. The Fiscal Division experiences a number of small deductions on vouchers processed for payment, which generally are caused by errors in computations, insufficient billing support, discrepancies between billings and receiving, etc.

2. The cost to the Government, in following the practice of deducting for errors of small amounts, is much greater than the saving realized. In many cases the deduction per invoice is less than one dollar (\$1.00), whereas, the cost of making the deduction could be figured as much as twenty-five dollars (\$25.00) or more. Also, such a practice in some instances causes poor public relations due to delays in the payment of invoices.

3. Accounting Systems Memorandum No. 9, Second Revision, Supplement No. 7, Revised, provides that adjustments of GSA billings resulting from over and under charges in amounts of \$5.00 or less for any one invoice are not required.

4. An informal discussion on the above subject was held among Mr. Cashell, Mr. E. W. Ball, Associate Director of Audits, GAO, Mr. [REDACTED] and Mr. [REDACTED] CIA Site Auditors, GAO. It was unanimously agreed that such a practice, in the interest of eliminating adjustments in nominal amounts, be adopted by this Agency. Adjustments by the discrimination of the Authorized Certifying Officer for any one invoice could be up to \$100.00 between Government Agencies and \$5.00 with other claimants. Waiver of excessive claims should not apply where the best interests of the Agency would not be served, such as:

- (1) Where claimants habitually or deliberately submit excessive claims.
- (2) Where a claimant submits several excessive claims which individually amount to less than the amounts proposed for waiver but in the aggregate exceed such amounts. In such cases, a single notice of exception should be prepared covering all differences.

Also, verification of prepaid freight bills and express receipts should not be required where the amount of each invoice is \$10.00 or less.

5. In the interest of Agency efficiency, it is requested that this subject be considered and approved.

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Concurred:

25X1A9a

/s/

Site Auditor

August 25, 1955

Date

Recommended for Approval:

25X1A9a /s/

Deputy Comptroller

26 August 1955

Date

Approved:

/s/

E. R. Saunders

Comptroller

26 August 1955

Date